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SUBJECT: DELHI DIARY, APR 21-28

REF: A. NEW DELHI 790

[B](#). NEW DELHI 0934

[C](#). NEW DELHI 0888

[1](#). (U) Below is a compilation of political highlights from Embassy New Delhi for April 21-28, 2008 that did not feature in our other reporting, including:

- Composite Dialogue Dates Set For May 20 and 21
- UPA Announces Record Foodgrain Harvest Estimate
- Naxalite/Maoist Incidents Increase in 2007
- Women's Empowerment in BJP-Ruled States
- Bickering in the Punjab Congress Party Leadership
- Congress Takes a Hit on Poorly Implemented Roadway
- All Aboard! Railway Reconnects Bengalis

Composite Dialogue Dates Set For May 20 and 21

[2](#). (SBU) Reftels (ref B, C) previewed that India was set to resume Composite Dialogue (CD) talks with Pakistan, once the new Pakistani government was prepared to proceed. Foreign Secretary Menon will travel to Islamabad May 20 to meet with

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his counterpart, and Foreign Minister Mukherjee will meet Foreign Minister Qureshi the next day, May 21. The Foreign Secretaries meeting will actually conclude the Fourth Round

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of the CD, with Mukherjee and Qureshi to open the Fifth Round. (Note: Each round consists of discussions on eight specific subjects, ranging from border disputes such as Kashmir and Siachen to economic cooperation. End Note.) India hopes that visits by Menon, Mukherjee and possibly Narayanan will pave the way for Prime Minister Singh to make a visit to Pakistan within the year. GOI officials told us that PM Singh is eager to visit his place of birth (he was born in West Punjab). PM Singh will also visit Nepal, Bhutan

and Sri Lanka this year.

UPA Announces Record Food grain Harvest Estimate

¶3. (U) After months of pummeling by the opposition Bharatiya Janata Party (BJP) and by its own Communist and non-Communist allies over a variety of issues including the U.S.-India civil nuclear agreement and rising food prices, the beleaguered Congress Party sought to spread some good cheer. The Agriculture Ministry reported on April 23 that it expects a record food grain harvest this year with production of wheat, rice, pulses, and other cereals estimated to be 227 million tons during May 2007 to May 2008, 10 million tons higher than in the preceding year. While most observers agree that the harvest this year is a good one, there is a divergence of views on how good it is and whether it will help ease rising food prices or alleviate pressure on the Congress Party.

¶4. (SBU) The food grain harvest announcement was clearly intended to provide a boost to the Congress Party and the United Progressive Alliance (UPA) government which it leads as they lurch into their final year in office in a weakened state. The Congress Party had suffered a string of state election losses over the last year, with the most disheartening being the trouncing it suffered in Gujarat at the hands of the BJP and Narendra Modi. The Congress Party was increasingly perceived as without backbone for its failure to stand up to bullying by its Communist partners over the U.S.-India civil nuclear deal and other issues. The BJP, unified and with several recent state election wins under its belt, sensed blood and escalated its attacks questioning the Congress Party's fitness to govern.

¶5. (SBU) When inflation touched a three-year high of 7.4 percent earlier this month, the Congress Party was truly on

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the ropes. The government's pronouncement of a "record" foodgrain harvest will help to blunt some of these attacks and provide respite to the Congress. The highly beneficial timing of the revised estimate, however, raised some eyebrows, especially since there were questions about how good the harvest is for the really important food grains - rice and wheat - and because the Ministry does not have a strong record in estimating harvests. Nonetheless, the announcement gives the Congress Party some breathing room and the Ministry likely hopes it will suppress hoarding inclinations or inflationary expectations, which otherwise could spur further inflationary behavior. As such, the announcement on its own works to battle inflation in the short term. End comment.

Naxalite/Maoist Incidents Increase in 2007

¶6. (U) The Ministry of Home Affairs (MHA) released statistics this week showing a modest increase in the number of incidents of Naxalite/Maoist violence in India: 1,565 in 2007, up from 1,506 in 2006. The number of deaths in these incidents also increased from 678 to 696. MHA data shows that the Naxalite/Maoist violence was concentrated in the states of Chhatisgarh, Jharkhand, Bihar and Orissa, which together accounted for 80 percent of the incidents.

¶7. (SBU) The data are not good news for the United Progressive Alliance (UPA) government because it feeds directly into one of the Bharatiya Janata Party's (BJP) main campaign planks -- that the UPA and the Congress Party are soft on terrorism. The BJP's terrorism theme has three legs: Pakistan-inspired Islamic terrorism in Jammu and Kashmir and beyond; Chinese-supported insurgencies in the northeastern states; and Naxalite/Maoist violence in many central and eastern states. The resounding election victory next door by Nepal's Maoist party should serve as a lesson to the GOI that

these violent leftist movements can gain popular support in areas where governance is especially poor.

Women's Empowerment in BJP-ruled States

18. (U) In a move applauded by women's groups, the Rajasthan Government announced a mandatory 50 percent seat reservation for women in Panchayati Raj institutions (PRI) by amending the 1994 Rajasthan Panchayati Raj Act, which had already reserved 33 percent of seats for women. The Panchayati Raj system was introduced in the 1950-60s in order to extend grass roots self-government opportunities to rural India in an effort to boost its socio-economic transformation. Uttarkhand had enacted similar legislation earlier this year. With this measure, Rajasthan joins Uttarkhand, Madhya Pradesh, Himachal Pradesh and Bihar as states which have set aside half the panchayat slots for women (Ref A).

19. (U) Comment: Civil Society and women's groups are optimistic about this new development but hope that it will not deny or delay women PRI leaders the necessary administrative support and funding required to support the new seats. They emphasized the need for women in PRIs to participate in good governance in a genuine way and not sit idly along side their male counterparts as mere placeholders. They also emphasized the need for change in familial, community and government perceptions toward women in PRI. Good intentions aside, most see this as a calculated election move by the Rajasthan government to appeal to the female vote. Rajasthan goes to polls at the end of this year. The Rajasthan initiative is also consistent with a BJP strategy to target the women's vote nationally. All the states with a 50 percent quota for women in panchyats are BJP-ruled, although the BJP is part of the ruling coalition in Bihar.

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The party has also reserved 33 percent of the slots in the party organization for women.

Bickering in the Punjab Congress Party Leadership

10. (U) On April 21, senior Congress leader and Foreign Affairs Minister Pranab Mukherjee summoned former Congress Party Punjab Chief Minister Amarinder Singh and current President of the Punjab Pradesh Congress Committee Rajinder Kaur Bhattal to mediate an ongoing and escalating verbal argument between the two leaders which the media and the Shiromani Akali Dal (SAD) have been closely watching and enjoying. The central party leadership came down firmly on Singh and Bhattal, telling them to "keep shut" after their accusations and counter-accusations became poisonous. The two warring leaders were accusing each other of consorting with terrorists during the time of the Punjab militancy in the 1980s. Bhattal accused Singh of housing terrorists and Singh alleged that Bhattal had cut a deal with a known terrorist in exchange for the freedom of her nephew.

11. (U) The public fighting between Singh and Bhattal provided fuel to the ruling Akalis, with President Sukbhir Singh Badal lashing out at the Congress Party for the role it played during one of the most violent times in Punjab history. Based on the comments of Singh and Bhattal, Badal accused the Congress Party as having "mothered, nursed, and sustained" terrorism in the state. Badal demanded a Central Bureau of Investigations probe of the Congress Party's role played during the insurgency, saying that the incriminating statements lodged by Bhattal and Singh against each other are very serious and should not be dismissed. He asserted that the statements are not simply an internal Congress Party squabble but have public relevance since they imply accountability for the death of thousands of Punjabis.

12. (SBU) Comment: The Congress Party's role in the rise of militancy in Punjab is well documented. It constitutes

another shameful chapter in the party's past that it would rather not have on the front pages with Lok Sabha polls around the corner. The insurgency was a violent time that impacted many Punjabis lives and could be extremely damaging to the Congress Party in northern India and beyond. The public brawl between Bhattal and Singh indicates a fragmented Punjab Congress Party which has yet to recover from its thumping by the Akali-BJP combine a year ago.

Congress Takes a Hit on Poorly Implemented Roadway

¶13. (U) The opposition Bharatiya Janata Party (BJP) continues to score points against the Congress Party; the latest involves extreme traffic congestion on a newly opened south Delhi traffic corridor. The 25 million dollar, 3.5 mile corridor features a dedicated bus lane and was supposed to speed flow of traffic through Delhi. However, due to a lack of manpower, poor signage, faulty traffic signals, and general Indian indifference to rules of the road, the gridlock chaos it created became front page news, even for the national newspapers.

¶14. (U) The story became bigger news after Chandan Mitra of the BJP took to the floor of the Rajya Sahba and called the project "scatterbrained," "ill-conceived" and demanded it be scrapped entirely. Congress Party Delhi Chief Minister Sheila Dikshit called an emergency meeting to try and solve the problem. As Congress Transport Minister Haroon Yusuf said, "We do not want to do anything to inconvenience the people in an election year."

¶15. (SBU) Comment: From national issues such as inflation to

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local issues such as traffic congestion, the Congress Party cannot seem to do anything right lately. While overcrowded roadways will not likely be a large issue in the coming national polls, they will most certainly play a role in the Delhi assembly elections scheduled for later this year. To the extent that voter antipathy towards Congress on local issues bleeds into the national election, it can only strengthen the BJP's case for change.

¶16. (SBU) Comment Continued: The uproar over the corridor reflects the Delhi public's increasing frustration with the city's traffic management problem. As the number of vehicles grows exponentially in Delhi - by some estimates 1,000 new motorized vehicles are added to Delhi's roads each day - the traffic snarls get worse each day, accidents and road rage incidents are more frequent, and Delhi's residents are unhappier. There are numerous transportation upgrade projects underway in Delhi, but traffic volume is increasing at such a pace that it will overwhelm the widened roads and new bridges and underpasses by the time they are completed. Haphazard and ill-conceived efforts to borrow fixes from outside India just add to the mess. End Comment.

All Aboard! Railway Reconnects Bengalis

¶17. (U) On April 14 (Bengali New Year's Day), Kolkata-Dhaka direct train service resumed after a hiatus of 43 years. The Maitree Express left Dhaka Cantonment railway station for Sealdah station in West Bengal, India, for the first time since hostilities between India and Bangladesh (then called East Pakistan) in 1965 shut down the service. The GOI and GOB signed an agreement restoring the railway connection on April 10 after protracted negotiations and delays, the most recent being a disagreement over enclosing portions of the track near the border. India's access to its Northeast states (and to SE Asia by extension) has been hampered by the mistrust between the two countries. India's recently signed Kaladan Multi-Modal Transport Project agreement with Burma, for example, is partly an effort to establish a route around Bangladesh. While the resumption of train service between the

two countries is a positive development and a confidence building measure welcomed by Bengalis on both sides of the border, it is largely symbolic. The GOI remains cautiously optimistic that the upward trend in bilateral relations will continue, although it believes that an elected government must be in place before relations can be taken to the next level.

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